

**Crestline Sanitation District  
Board of Directors Special Meeting  
P. O. Box 3395  
Crestline, CA 92325-3395  
(909) 338-1751**

**Date/Time:** September 21, 2010 - 4:00 p.m.

**Place:** Crestline Sanitation District Office  
24516 Lake Drive  
Crestline, CA 92325

**Board of Directors Present:**

Matthew Philippe, Chairman  
Ken Nelsen , Secretary  
Sherri Fairbanks  
Jack Winsten

**Board of Directors Absent:**

Penny Shubnell, Vice Chairman

**San Bernardino County Employees Present:**

Kathy Whalen  
Mark Pattison  
Jeff Rigney

**Others Present:**

Steve Kennedy, Brunick, McElhaney & Beckett  
Phil Waller, Rogers, Anderson, Malody & Scott LLP

**Call to Order**

The meeting was called to order at 4:03 p.m.

**Approval of Agenda**

**Public Comment**

*Comments made by members of the public are representative of their views and opinions only. Claims and assertions made during Public Comment are accepted without regard to accuracy and are accepted in accordance with Public Comment rules as outlined in state law. Statements made by the public during Crestline Sanitation District Board of Directors meetings do not necessarily reflect the views or opinions of individual Board of Directors or the council as a whole.*

**Public Comments:**

No Public Comments were made.

## **Consent Calendar**

No Consent Calendar needed.

### **Discussions:**

#### **Old Business**

##### **1. Discussion and Possible Action concerning Workers Compensation**

Kathy Whalen, District Manager presented the Board her recommendation with Resolution 008, for approving the form of authorizing participation in the Special District Risk Management Authority (SDRMA) Property/Liability Program and Workers' Compensation Programs. Chairman Philippe conducted open discussion on the subject. Director Winsten made a motion to accept SDRMA as the Property/Liability Program and Workers' Compensation Program. Secretary Nelsen seconded. Chairman Philippe asked for any further discussion on the subject. Secretary Nelsen had concerns with only one company submitting a bid for a three (3) year term, but with no time allowance, this will have to be accepted at this time. Chairman Philippe called for a vote. Motion passed 4-0.

##### **2. Discussion and Possible Action concerning Dental and Vision Insurance**

District Manager, Kathy Whalen presented the Board with information from The Henahan Company concerning Dental coverage with Principal Insurance and Vision coverage with Blue Shield of California. Supplemental Life Insurance may be carried over and obtained by the employee also, but they will be billed separately to their home address. Director Winsten made a motion to delegate to the District Manager, Kathy Whalen the authority to negotiate contracts for Dental and Vision Insurance. Chairman Philippe seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. Motion passed 4-0.

##### **3. Discussion and Possible Action concerning SBCERA Retirement for Employees**

Chairman Philippe stated revisions made by legal counsel, Steven Kennedy at the last meeting have been made and signed and will be sent to SBCERA for their review and approval. This item will be further discussed and updated at the Special Meeting to be held on Friday, September 24, 2010.

#### **New Business**

##### **4. Discussion and Possible Action concerning Memorandum of Understanding (MOU)**

Chairman Philippe requested discussion concerning the MOU. Legal counsel, Steven Kennedy requested on page 8, "Section 4 – Medical and Dental Premium Subsidies", subsections B, C, D and E need not be included as it was back in 2005-2007; also on page 42, "Provisions of Law", first sentence, remove "and the current provisions of the Charter of the County of San Bernardino." Director Fairbanks made a motion to accept the MOU with the revisions made by legal counsel. Secretary Nelsen seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. Motion passed 4-0.

##### **5. Discussion and Possible Action concerning Crestline Sanitation District Fee Package**

District Manager, Kathy Whalen presented the Board with the Crestline Sanitation District Fee Package. Secretary Nelsen made a motion to accept the Fee Package as presented. Director Winsten seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. Motion passed 4-0.

##### **6. Discussion and Possible Action concerning Payroll service vs. in-house.**

Chairman Philippe stated an outside Payroll service was recommended by CPA, Phil Waller at this time. Transition ad hoc Committee Director Fairbanks presented information on outside payroll services expressing recommendation to the Board. Director Winsten made a motion to delegate

selection of outside payroll services to District Manager, Kathy Whalen. Director Fairbanks seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. Motion passed 4-0.

## **7. Discussion and Possible Action concerning Crestline Sanitation District Taking Over All Outstanding Projects**

Chairman Philippe stated since Special District has not issued a purchase order to complete outstanding projects previously discussed; the exposed sewer line and the electrical work to connect generator to new maintenance building, Crestline Sanitation District will write a letter to Special Districts stating Crestline Sanitation District will take over all outstanding projects at this time before the transition is completed. Chairman Philippe made a motion to write a letter to Jeff Rigney of Special Districts, stating Crestline Sanitation District will take over all outstanding projects at this time. Director Fairbanks seconded. Chairman Philippe conducted an open discussion on the subject. Secretary Nelsen amended the motion to write a letter to Jeff Rigney of Special Districts, stating Crestline Sanitation District will take over all outstanding maintenance projects and all Capital Improvement Projects at this time. Chairman Philippe seconded. Chairman Philippe called for a vote. Motion passed 4-0.

## **Reports**

### **8. Committee Reports**

- a. **Transition Plan Committee (ad hoc)** – previously discussed
- b. **Executive Committee (ad hoc)** – no discussion needed
- c. **Accounting Software (ad hoc)** – previously discussed

### **9. Wastewater Manager Report**

Kathy Whalen, District Manager had no additional report.

### **10. CPA Firm Report**

As previously discussed, Phil Waller, CPA of RAMS reported the recommendation of an outside Payroll service. Chairman Philippe requested a Financial Workshop set up by Mr. Waller in the near future.

### **11. Legal Counsel Report**

Steven Kennedy of Brunick, McElhaney & Beckett discussed with Board Members need to file California Form 700's, Statement of Economic Interests, Assuming Office Statement.

## **Directors Comments**

Chairman Philippe stated SBCERA Retirement for Employees and Deferred Compensation needs to be discussed and possible action at a Special Meeting to be held on Friday, September 24, 2010 at 8:15 a.m. The Agenda has been posted accordingly. The next Regular meeting is to be held next month on Thursday, October 14, 2010.

Ethics training was discussed for the Board Members at a later date. District Manager, Kathy Whalen will research training previously done.

## **Correspondence/Information**

No correspondence was announced.

Crestline Sanitation District  
Agenda – Board of Directors Meeting  
October 14, 2010

**Reports**

10. Committee Reports
  - a. Rules & Regulations Committee (ad hoc)
11. District Manager Report
12. CPA Firm Report
13. Legal Counsel Report

**Directors Comments**

**Correspondence/Information**

**Future Agenda Items**

**Adjournment**

*The Crestline Sanitation District Board of Directors meeting facility is accessible to persons with disabilities. If assisted listening devices or other auxiliary aides or services are needed in order to participate in the public meeting, requests should be made through the Crestline Sanitation District Fiscal Assistant at least three (3) business days prior to the meeting. The Fiscal Assistant's telephone number is (909) 338-1751 and the Crestline Sanitation District office is located at 24516 Lake Dr., Crestline, CA 92325.*

*The Crestline Sanitation District Board of Directors meeting agenda is posted prior to meetings at the Crestline Sanitation District Office. Copies of the agenda are available to interested parties upon receipt of a written request.*

**Future Agenda Items**

Re-establish ad hoc Committees, discuss Investment Policy, discuss Director's compensation, and discuss Policies and Procedures at next Regular Meeting on Thursday, October 14, 2010.

**Adjournment**

Meeting adjourned at 5:05p.m.

Matthew Philippe Date: 10-14-10  
Matthew Philippe, Chairman

ATTEST:

Ken Nelsen Date: 10-14-10  
Ken Nelsen, Secretary